CMD of Cotton Corporation of India

6585. SHRI GHUFRAN AZAM: Will the Minister of TEXTILES be pleased to state:

(a) whether the term of CMD of Cotton Corporation of India, Limited had expired long back;

(b) whether interviews have not been held to allow the present incumbent to continue in the post; and

(c) if so, the facts and details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (c) The present term of CMD of Cotton Corporation of India was upto 21-9-93. After the approval from Public Enterprises Selection Board (PESB), the proposal to grant further extension to the CMD is under consideration of the Government.

Capacity Utilisation in Cotton Spinning Mills in Tamil Nadu

6586. SHRI S. AUSTIN: Will the Minister of TEXTILES be pleased to state:

(a) whether the Cotton Spinning Mills in Tamil Nadu are utilising their full capacity;

(b) if not, the reasons therefor;

(c) the names of the cotton spinning mills in Tamil Nadu utilizing their full capacity; and

(d) the steps taken by the Government for smooth functioning of these mills?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (d) As on 31.12.93, there were 479 Cotton/Man-made Fibre Spinning Mills in the State of Tamil Nadu. The capacity utilisation of spinning mills as a whole in Tamil Nadu during 1993-94 was about 88% as against the national average utilisation of 84%.

Notification of Export Quota of Garments

6587. SHRI P. UPENDRA: Will the Minister of TEXTILES be pleased to state:

(a) whether the Ministry of Textiles has recently issued a notification on the export quota of garments;

(b) whether manufacturers/exporters who have been getting 20 per cent of the export quota till 1993, are allowed only 2 per cent this year;

(c) what are the reasons for this change; and

(d) what action Government are taking on the representations received from nanufacturers/exporters?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (d) In the Garment Export Entitlement Allotment Policy (Quota Policy) for 1994-96 the percentage of allocation for Manufacturer Exporters' Entitlement (MEE) has been retained at the same level as before i.e. 20%.

However, in the new policy this 20% allocation was divided between "existing manufacturer exporters" and "new manufacturer exporters" as 18% and 2% respectively. The policy defined "new manufacturer exporters" as those who had a past performance entitlement of nil to 10,000 pcs for all country/categories taken together for the year preceding the allotment year. The policy also provided that the allocation to existing manufacturer exporters will be related to the categories in which they had a past performance while in the case of new manufacturer exporters options would be obtained. These changes were introduced with a view to minimise the scope for wrong declaration regarding production capacity by the exporters.

When the above policy was implemented the Government received representations on behalf of certain manufacturer exporters who had been

classified as "new manufacturer exporters" since they did not have past performance quota of atleast 10,000 pcs during the preceding year, though they had manufacturer exporters quota during that period. Their contention was that since they had manufacturer exporters quota during the preceding year, they should be classified as "existing manufacturer exporters" even though they did not have past performance quota of not less than 10,000 pcs during that year.

Government have carefully considered the representations in the light of the Government's overall policy to give encouragement to manufacturer exporters. Government have decided that in the case of manufacturer exporters who had manufacturer exporters quota during the preceding year but got classified as "new manufacturer exporters" because they did not have a past performance quota of atleast 10,000 pcs during that year, MEE allotments will be revised in such a way that they get MEE quotas equal to what they had in 1993, subject to the condition that such additional allotments in any country category will not exceed 4% of the annual level.

Modernisation of sick mills in Maharashtra

6588. SHRI P. UPENDRA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have decided to restructure and modernise the National Textile Corporation;

(b) whether the Maharashtra Textile Trade Unions have demanded modernisation without merger and closure of the sick mills; and

(c) whether this is likely to delay the revamp plan?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (c) The modernisation/rationalisation plans prepared by the Textile Research Associations for revival of the NTC mills have been endorsed by the Labour Ministry's Special Tripartite Committee on NTC, which includes representatives of trade unions. The Special Tripartite Committee has given the following unanimous recommendations:

(i) The reports given by the Textile Research Associations show that the NTC mills as well as Taken Over Mills can be made viable by modernisation.

(ii) Modernisation/rationalisation therefore should be carried out in consultation with the unions.

(iii) There should be no retrenchment.

(iv) There should be no privatisation.

(v) Taken over mills would be nationalised.

(vi) Surplus land may be disposed of and the proceeds should be utilised by the management for modernisation, working capital etc.

(vii) Professional management should be strengthened both in the Holding Company and at the subsidiary levels and representation of trade unions should be ensured upto Board level for effective participation of workers in the management at all levels from unit to Holding Company level.

(viii) Steps shall be taken to move the BIFR to accept the above proposals and close the cases.

The revival plan will require approval of the BIFR under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, after it is approved by the Government before it can be implemented.